

(Draft - Awaiting Formal Approval)

**MINUTES OF THE  
HEALTH SYSTEM REFORM TASK FORCE**

Wednesday, November 18, 2009 – 2:00 p.m. – Room 250 State Capitol

**Members Present:**

Speaker David Clark, House Chair  
Sen. Sheldon L. Killpack, Senate Chair  
Sen. Gene Davis  
Sen. Peter C. Knudson  
Sen. Wayne L. Niederhauser  
Rep. Jackie Biskupski  
Rep. Bradley M. Daw  
Rep. Bradley G. Last  
Rep. David Litvack

Rep. Ronda Rudd Menlove  
Rep. Merlynn T. Newbold

**Staff Present:**

Mr. Mark D. Andrews, Policy Analyst  
Ms. Catherine J. Dupont, Associate General Counsel  
Ms. Chelsea Barrett, Legislative Secretary  
Mr. Benjamin Beutler, Research Assistant

**Note:** A list of others present, a copy of related materials, and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

**1. Task Force Business**

Speaker Clark called the meeting to order at 2:19 p.m.

**MOTION:** Sen. Killpack moved to approve the minutes of the September 16, 2009 and October 21, 2009 meetings. The motion passed unanimously. Rep. Menlove was absent for the vote.

**2. Utah Health Exchange Update**

Mr. Dan Schuyler, Office of Consumer Health Services, distributed and discussed "Utah Health Exchange Limited Launch Stats" and "Utah Health Exchange High Level Objectives."

Ms. Korey Capozza, Voices for Utah Children and member of a committee working under the Task Force's Oversight and Implementation Workgroup, discussed some options for helping Utah Health Exchange enrollees choose from among the 66 plans available in the Exchange.

Mr. Dave Jackson, Utah Defined Contribution Risk Adjuster Board, distributed and explained "Utah Health Exchange Sample Rate Analysis Effective January 1, 2010." He compared Exchange rates for small group employers with non-Exchange renewal rates for the same employers and discussed potential reasons for the differences. Mr. Jackson indicated that he could provide the Task Force with additional information showing the range of plan rates that will be available in the Exchange. Mr. Norman Thurston, Health System Reform and Policy Coordinator for the State, also discussed plan rates in the Exchange.

Mr. Thurston, also a member of the Utah Defined Contribution Risk Adjuster Board, explained that the rates discussed are for the limited-enrollment launch of the Exchange and probably won't work for a full-bore launch. He indicated that the Board welcomes solutions and said that legislation will probably be required for a permanent solution.

Mr. John T. Nielsen, Special Advisor to the Governor for Health System Reform, expressed the Governor's support for continued reform, including the Utah Health Exchange. He indicated that the

disparity between Exchange plan rates and non-Exchange plan rates leads to a conclusion that there is a fundamental flaw in the way things are working. He emphasized that the notion of parallel markets (Exchange plans and non-Exchange plans) is a problem. Mr. Nielsen said that it would be prudent to keep on the table the idea of combining the two small group markets and operating them entirely through the Exchange. He also said that he thought modified community rating with adjustments for behavior should be looked at and that it may be wise to pilot large group participation in the Exchange before 2012.

Mr. Thurston indicated that all of the problems encountered during the limited launch of the Exchange would have been solved if every small group had been in the Exchange. If that were done, whether or not all would have to use a defined contribution arrangement is something that would have to be looked at.

Ms. Elizabeth Garbe, United Way, said that the United Way will send a letter to the Task Force.

Ms. Billy Jo Peterson, citizen, explained the difficulty her family has had obtaining health insurance.

Speaker Clark expressed appreciation to the Risk Adjuster Board and to insurers, employers, and employees who have been willing to participate in the Exchange. He indicated that the problem of risk avoidance by insurers needs to be solved so that risk is embraced rather than avoided.

### **3. Pharmaceutical Assistance Program**

Ms. Roba Whiteley, Executive Director, Together Rx Access, distributed "Together Rx Access," an informational packet for Task Force members. She explained the Together Rx program and expressed her interest in talking with the Task Force further about how to implement the program in Utah, if the Task Force is interested. Speaker Clark indicated that the Task Force will follow up with Ms. Whiteley.

### **4. 2010 General Session Draft Legislation**

Rep. Newbold presented 2010 General Session draft legislation, "Health Reform - Uniform Electronic Standards - Insurance Information."

**MOTION:** Rep. Newbold moved to approve 2010 General Session draft legislation, "Health Reform - Uniform Electronic Standards - Insurance Information," as committee bill. The motion passed unanimously. Rep. Last and Rep. Menlove were absent for the vote.

Rep. Dunnigan presented 2010 General Session draft legislation, "Amendments to Health Insurance Coverage in State Contracts."

**MOTION:** Sen Davis moved to approve 2010 General Session draft legislation, "Amendments to Health Insurance Coverage in State Contracts," as a committee bill. The motion passed unanimously with Sen. Niederhauser and Rep. Menlove absent for the vote.

### **5. Other Business**

The Task Force had no additional business.

**6. Adjourn**

**MOTION:** Sen. Davis moved to adjourn the meeting. The motion passed unanimously with Sen. Niederhauser and Rep. Menlove absent for the vote.

Chair Clark adjourned the meeting at 4:00 p.m.